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DUN'S REVIEW



COMMERCIAL AND BANKING FAILURES FROM OFFICIAL RECORDS
COMMODITY PRICE INDEX ~ BANK CLEARINGS REPORTS

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JANUARY 23, 1932

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Published by
R.G. DUN & CO.

The oldest and largest Mercantile Agency in the World

Established 1841



Studying this print of an early engraving our sympathy is all for the poor fellow soaring aloft so neatly balanced on a piece of the flying debris.

The promptness with which the old type fire-fighting devices arrived at a fire remains as one of the most notable features of community service of two generations ago. The explosion shown in this print followed the discovery of the fire by only a few minutes—yet, as we see, a number of pieces of fire apparatus were already on the scene where it occurred.

Four years prior to this unfortunate happen-

ing the Mercantile Agency was founded in 1841 by Lewis Tappan, a prominent merchant of the period. Since the day it was established, prompt service has been one of the most important factors in the work of the Mercantile Agency. The very nature of its service to the Credit Community demands that this be so.

By telegraph, teletype messages and phone, late credit information is constantly flashed throughout the network of 157 offices of the R. G. Dun System located in the important commercial, industrial and financial centers of the United States.

R. G. DUN & CO. THE MERCANTILE AGENCY

*The Oldest and Largest Mercantile Agency
in the World*

290 Broadway, New York City

ESTABLISHED 1841



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PUBLISHED WEEKLY BY

R. G. DUN & CO., 290 BROADWAY, NEW YORK

The Oldest and Largest Mercantile Agency in the World

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Editorial Offices . 290 BROADWAY, NEW YORK

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TRADE REVIEW OF THE WEEK

Trade reports continue to emphasize the paucity of stocks in most wholesale and retail channels and the urgency for prompt shipments wherever possible.

Confirmation of the low condition of inventories constantly appears in the year-end statements as issued. The first signs of increasing demand for cotton goods have made further progress, with the call for gray goods broadening. Sales have reached no sustained volume, as yet, but several of the print cloth, broadcloth and sheeting constructions have been bought much more freely.

Sales Retarded

The retail turnover since the first of the month has been somewhat disappointing. Dollar receipts generally were below those for the same period of last year, in part reflecting the lower prices. The principal drawback is attributed to the unseasonably mild weather, which has caused the response to special offerings to fall considerably below the total calculated. Even the attractive prices have failed in

their appeal to buyers who needed fur garments, coats and heavy wearing apparel.

In some sections, distributive records are

ahead of those of 1931, with sales of textiles, low-priced furniture and house-furnishings making the best showing. Men's suits have been selling better than overcoats, but the turnover in furnishings has continued disappointing. Cold weather and snow in the Northwest have helped Winter lines there and aided the movement of coal.

Production Broadens

Sentiment in a number of industries has improved in the last two weeks, as releases on materials have caused expansion in operations.

This is true particularly of concerns allied with the automobile industry. Operations have been extended at some steel centers. While manufacturers of automobile parts and bodies, glass and hardware are busier, the expansion has not exceeded that of other years at this season. In the South, some of the clothing factories have resumed operations.

DUN'S INDUSTRIAL INDICES

Factors Reported Weekly:

Dun Reports	1932	1931	P.C.
Bank Clearings.....	\$5,781,983,000	\$7,574,618,000	-23.7
Commodity Price Advances.....	18	16	...
Commodity Price Declines.....	31	39	...
Insolvencies (number).....	855	712	+20.1
Industrial Activity			
†Crude Oil Output (barrels).....	2,193,450	2,094,000	+ 4.7
Electric Power Output (kwh)....	*1,602,482	*1,716,822	- 6.7
Freight Car Loadings.....	572,504	714,128	-19.8

Factors Reported Monthly:

Agriculture			
‡Cotton Consumption (bales)....	415,517	405,518	+ 2.5
Cotton Exports (bales).....	1,195,238	778,923	+53.4
Dun Reports			
Price Index Number.....	\$140.682	\$159.719	-11.9
Insolvencies (number).....	2,758	2,525	+ 9.2
Insolvencies (liabilities).....	\$73,212,950	\$83,683,361	-12.5
Foreign Trade			
Merchandise Exports.....	184,000,000	274,856,000	-33.1
Merchandise Imports.....	153,000,000	208,636,000	-26.6
Industrial Activity			
Pig Iron Output (tons).....	980,376	1,665,690	-41.1
Steel Output (tons).....	1,302,399	1,979,547	-34.2
Unfilled Steel Tonnage.....	2,735,353	3,943,566	-30.6
Building Permits.....	\$38,425,341	\$84,304,501	-54.4

†Daily average production. ‡Domestic consumption. *(000) omitted.			
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INSOLVENCIES FOR CURRENT WEEK MORE NUMEROUS

Number of Failures Runs Higher than Those in Either of the Two Preceding Weeks and Above Record of a Year Ago

Insolvencies this week in the United States in commercial lines were unusually numerous. There were 855 such defaults. Except for the first week of January, 1931, this number has not previously been exceeded. Last week 781 failures were reported and in the week before there were 739, while in the third week of January a year ago the number was 712.

It is quite out of the ordinary for this increase to appear so late in the month. January insolvencies are generally in excess of those for each other month in the year, and after the trying conditions in the closing months of 1931, and the high average of defaults recorded at that time, it was not surprising that the failures after the opening of the new year should be heavy.

All four geographical sections of the country show more business failures this week than in the preceding week, or for the corresponding week a year ago—the figures for this week and last for the West, however, show a difference of only one. For the East, the South and the Pacific Coast States the increase is quite large.

Of this week's failures in the United States, 577 had liabilities of \$5,000 or more in each instance, against 554 last week and 428 last year. The increase this week over last year was in all four geographical sections into which the country is separated.

Canadian failures were reduced in number. The total, as reported to R. G. Dun & Co., was 72, against 79 last week, 51 the preceding week and 79 last year.

SECTION	Week Jan. 21, 1932		Week Jan. 14, 1932		Five Days Jan. 7, 1932		Week Jan. 22, 1931	
	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total
East	226	311	212	293	214	285	178	255
South	151	232	147	211	106	204	116	198
West	139	204	149	203	139	178	108	177
Pacific	61	108	46	74	42	72	31	82
U. S.	577	855	554	781	502	739	428	712
Canada	35	72	36	79	30	51	44	79

Dun's Insolvency Index

Insolvencies so far in January have shown little, if any, improvement over the high record made for that month last year. In view of conditions prevailing during the latter part of 1931 some increase in business defaults was expected this month. Dun's Insolvency Index, which measures the ratio of business failures to the number of concerns in business, was for January to date 200.6. Up to the same time in January, 1930, the index then was 196.6, the increase this year being small, or about 2 per cent. The Insolvency Index for January this year and last was higher than that of January, 1922.

A marked increase appeared in the Index for the three closing months of last year. The change in the direction of a higher level not only appeared progressively in each monthly return, but the 1931 figures were considerably above those of 1930. It may be reassuring that the increase for January, 1932, at the high point, over December last of 41.8 points, was somewhat less than the increase of 55.9 points that appeared from December, 1930 to January, 1931; or, the 59.8 points between the same months in 1921 and 1922.

The figures printed below are computed on the basis of the number of commercial insolvencies to each 10,000 business firms in the United States:

	Monthly			5-Year Average		Monthly	
	1932	1931	1930	1925-29	Ratio	1922	1921
January to date..	200.6	196.6	150.2	139.5	160.0	173.7	126.2
December	158.8	140.7	114.7	112.0	128.3	114.0	159.6
November	141.2	127.0	101.1	107.1	122.8	112.3	132.3
October	134.4	117.0	100.0	99.2	113.8	107.3	109.3

BANK CLEARINGS CONTINUE LOWER

Bank clearings this week at a number of cities show a little improvement but in the aggregate continue considerably below those of a year ago. The total for all leading cities in the United States of \$5,781,983,000 is 23.7 per cent under that of last year. At New York City, clearings were \$4,007,999,000, a reduction of 21.6 per cent, while the aggregate for cities outside of New York of \$1,773,984,000 shows a decline of 27.9 per cent. The reduction for the third week of January from the second week is less than \$78,000,000, whereas a year ago it was in excess of \$392,000,000. The decline at many points is getting to be very irregular. It continues quite large in the East and is heavy at most of the Western centers. At several points the loss is very small, especially at Buffalo and Atlanta.

Bank clearings this week, and average daily bank clearings for the past three months, are printed herewith:

	Week		Per Cent	Week	
	Jan. 21, 1932	Jan. 22, 1931		Jan. 23, 1930	
Boston	\$273,000,000	\$351,000,000	-20.8	\$463,000,000	
Philadelphia	304,000,000	379,000,000	-19.8	602,000,000	
Baltimore	66,175,000	76,308,000	-13.3	92,319,000	
Pittsburgh	91,782,000	149,697,000	-38.7	170,416,000	
Buffalo	30,402,000	30,917,000	-1.7	48,867,000	
Chicago	257,140,000	446,112,000	-42.4	604,070,000	
Detroit	81,618,000	138,639,000	-41.1	196,671,000	
Cleveland	79,872,000	109,963,000	-27.4	131,287,000	
Cincinnati	51,486,000	70,066,000	-26.5	74,098,000	
St. Louis	76,106,000	112,000,000	-32.1	126,800,000	
Kansas City	74,900,000	114,400,000	-34.5	125,000,000	
Omaha	25,488,000	40,525,000	-37.1	42,105,000	
Minneapolis	52,000,000	63,055,000	-17.5	67,992,000	
Richmond	28,115,000	35,405,000	-20.6	46,873,000	
Atlanta	30,600,000	30,777,000	-0.6	43,944,000	
Louisville	20,631,000	23,879,000	-16.3	40,040,000	
New Orleans	32,553,000	42,628,000	-23.6	49,517,000	
Dallas	30,356,000	38,759,000	-26.0	45,041,000	
San Francisco	117,800,000	146,800,000	-19.8	193,800,000	
Portland	19,822,000	27,533,000	-28.0	31,831,000	
Seattle	27,744,000	32,554,000	-14.2	38,056,000	
Total	\$1,773,984,000	\$2,460,013,000	-27.9	\$3,233,727,000	
New York	4,007,999,000	5,114,605,000	-21.6	6,267,000,000	
Total All....	5,781,983,000	\$7,574,618,000	-23.7	\$9,500,727,000	
Average Daily:					
January to date..	\$1,066,056,000	\$1,474,141,000	-21.0	\$1,855,740,000	
December	1,036,163,000	1,511,615,000	-31.7	1,894,754,000	
November	1,160,414,000	1,444,730,000	-45.5	2,511,481,000	

Dun's Review

HEAVY GAINS IN INSOLVENCY RECORD FOR DECEMBER

The Number of Failures was Considerably Larger than the Total for November, but the Amount of Liabilities was Smaller

Business failures in the United States in December were unusually heavy. For the closing month of the year the number generally exceeds that of the preceding months, but last year the increase was much greater than in most other years. The records show 2,758 defaults last month with liabilities of \$73,212,950, against 2,195 in November, involving \$60,659,612 of indebtedness, and 2,525 in December, 1930, owing a total of \$83,683,361. The increase over the figures for December, 1930, of 21.1 per cent. is somewhat higher than in some of the preceding months of the year just closed. Toward the middle of last year, business failures were actually less than they were in the corresponding period of the preceding year, but the severe tension created in the financial markets in the closing months of 1931, forced many defaults. The liabilities in December, also were heavy, but considerably smaller than in December, 1930.

Last year, and in 1930 as well, there were many insolvencies chronicled and both the number and the amounts involved were the largest up to that time. For several years, in the early part of the last decade, the average amount involved for each of the smaller failures was somewhat higher. In 1921, it was above the amount shown for 1931, being \$13,453.

Monthly and quarterly failures, showing number and liabilities, are contrasted below for the periods mentioned:

	Number			Liabilities	
	1931	1930	1929	1931	1930
December	2,758	2,525	2,037	\$73,212,950	\$83,683,361
November	2,195	2,031	1,796	60,659,612	55,260,730
October	2,362	2,124	1,832	70,600,436	56,296,577
4th Quarter.....	7,315	6,680	5,665	\$204,532,998	\$195,240,668
September	1,936	1,963	1,568	\$47,255,650	\$46,947,021
August	1,944	1,913	1,762	53,025,132	49,180,653
July	1,983	2,028	1,752	60,997,853	39,826,417
3rd Quarter.....	5,863	5,904	5,082	\$161,278,635	\$135,954,091
June	1,993	2,026	1,767	\$51,655,648	\$63,130,762
May	2,248	2,179	1,897	53,371,212	55,541,462
April	2,383	2,198	2,021	50,868,135	49,059,308
2nd Quarter.....	6,624	6,408	5,685	\$155,894,995	\$167,731,532
March	2,604	2,347	1,987	\$60,386,550	\$56,846,015
February	2,563	2,262	1,965	59,607,612	51,326,365
January	3,316	2,759	2,535	94,608,212	61,185,171
1st Quarter.....	8,483	7,368	6,487	\$214,602,374	\$169,357,551

The increase in the number of failures in December of last year was largely in the trading division. There were also more insolvencies for the manufacturing classes, but the change was somewhat below that in the trading section, while for the third part, embracing agents and brokers, the number was just the same. Liabilities, however, for the latter, while heavy last month, were only about one-third the amount in December, 1930; they were much heavier for the trading division last month than in the preceding December, and for the manufacturing section a smaller increase appears.

FAILURES BY BRANCHES OF BUSINESS—DECEMBER, 1931

	Number			Liabilities	
	1931	1930	1929	1931	1930
Manufacturers					
Iron, Found. & Nails	14	6	14	\$524,657	\$406,865
Machinery and Tools	85	28	36	889,509	8,174,400
Woolens, Carpets &c.	8	6	5	834,753	612,374
Cottons, Lace & Hery.	2	4	.	163,180	1,597,796
Lbr., Bldg. Lines, &c.	65	77	112	2,479,690	1,545,200
Clothing & Millinery	89	45	39	1,946,276	2,086,745
Hats, Gloves & Furs	17	30	25	608,787	836,500
Chemicals and Drugs	12	8	8	625,834	1,460,106
Paints and Oils.....	2	1	3	396,560	3,600
Printing & Engraving	29	15	11	705,596	2,373,300
Milling & Bakers..	48	34	28	879,203	271,949
Leather, Shoes, &c.	20	14	18	705,117	271,300
Tobacco, &c.....	4	6	6	196,606	28,256
Glass, Earthenware, &c.	11	12	8	2,697,571	438,100
All Other.....	235	261	246	8,810,429	4,937,688
Total Mfg.....	591	537	559	\$22,453,828	\$19,948,173
Traders					
General Stores.....	159	139	102	\$2,616,284	\$2,190,511
Groc. Meat & Fish.	424	327	276	4,541,979	5,857,174
Hotels & Restaurants	127	111	93	7,770,314	1,349,391
Tobacco, &c.....	46	23	17	569,439	255,200
Clothing & Furnish'g	329	339	184	4,282,205	4,795,548
Dry Goods & Carpets	119	109	76	3,359,124	1,609,929
Shoes, Rub. & Trunks	84	82	41	1,232,576	715,249
Furniture & Crockery	82	85	65	2,262,371	1,817,500
H'ware, Stov. & Tools	85	55	44	1,035,423	930,909
Chemicals & Drugs.	139	109	82	1,792,829	1,023,184
Paints & Oils.....	3	5	8	108,158	30,400
Jewelry & Clocks...	57	41	24	1,064,936	397,175
Books & Papers....	16	15	6	230,594	106,900
Hats, Furs & Gloves	8	23	19	168,826	2,779,826
All Other.....	341	372	307	7,410,248	7,094,141
Total Trading....	2,013	1,834	1,344	\$38,385,309	\$28,353,028
Other Commercial..	154	154	134	12,373,813	35,382,160
Total U. S.	2,758	2,525	2,037	\$73,212,950	\$83,683,361

Large Failures Increased Last Year

The number of large failures that occurred last year, as well as the amount of indebtedness involved, was considerably higher than in any previous year. A separate tabulation is prepared of all business defaults where the liabilities in each instance amount to \$100,000 or more. There were in the year just closed, 1,055 such insolvencies for \$382,151,031 of liabilities. The remaining 27,230 other defaults reported in 1931 had a total indebtedness of \$354,158,071.

	Total		\$100,000 & More		Under \$100,000		Average.
	No.	Liabilities.	No.	Liabilities.	No.	Liabilities.	
1931....	28,235	\$736,309,102	1,055	\$382,151,031	27,230	\$354,158,071	\$13,006
1930....	26,355	668,283,842	947	364,818,359	25,408	303,465,483	\$11,943
1929....	23,909	483,250,196	744	221,794,342	23,165	261,455,854	\$11,796
1928....	23,342	489,559,624	689	224,599,775	23,153	264,959,849	\$11,444
1927....	23,146	520,104,263	708	265,387,741	22,438	254,716,537	\$11,352
1926....	21,773	409,232,278	910	171,617,704	21,163	237,614,571	\$11,228
1925....	21,214	443,744,272	591	208,289,053	20,623	235,455,219	\$11,417
1924....	20,615	543,225,449	650	300,344,383	19,965	242,881,066	\$12,165
1923....	18,718	539,386,806	743	321,137,681	17,975	218,249,145	\$12,142
1922....	23,676	623,896,251	868	323,842,326	22,808	300,053,423	\$13,156
1921....	19,652	627,401,833	873	375,126,153	18,779	252,275,730	\$13,433
1920....	18,581	295,121,805	453	191,308,042	8,428	103,313,763	\$12,258

MANUFACTURING

	No.	Liabilities.	No.	Liabilities.	No.	Liabilities.	Average.
1931....	6,412	\$283,452,775	471	\$188,598,722	5,941	\$94,854,053	\$15,966
1930....	6,278	236,639,383	417	151,344,935	5,831	87,294,448	\$14,971
1929....	6,007	186,734,420	331	104,108,363	5,676	82,626,057	\$14,557
1928....	5,924	182,478,119	339	106,602,483	5,585	75,875,636	\$13,586
1927....	5,682	211,504,826	359	138,612,044	5,323	72,892,782	\$13,694
1926....	5,395	158,042,016	321	84,195,987	5,074	73,846,029	\$14,554
1925....	5,090	167,684,839	282	97,786,959	4,808	69,897,880	\$14,538
1924....	5,208	286,770,260	353	205,766,703	4,855	81,003,557	\$16,685
1923....	4,968	231,316,205	383	214,929,796	4,585	66,386,469	\$14,479
1922....	5,682	214,925,338	369	132,790,993	5,313	85,134,395	\$15,459
1921....	4,495	232,907,185	410	162,495,458	4,085	70,411,727	\$17,231
1920....	2,635	127,992,471	230	89,933,982	2,405	38,038,459	\$15,825

TRADING

	No.	Liabilities.	No.	Liabilities.	No.	Liabilities.	Average.
1931....	20,170	\$355,357,635	447	\$126,385,076	19,723	\$228,972,609	\$11,609
1930....	18,393	327,930,214	315	80,709,231	18,078	192,230,933	\$10,833
1929....	15,417	224,731,366	290	66,011,164	15,127	158,720,202	\$10,486
1928....	16,477	225,301,426	223	60,486,788	16,254	164,814,638	\$10,140
1927....	16,082	228,194,421	233	65,065,375	15,859	163,129,046	\$10,286
1926....	15,268	201,333,973	221	52,441,209	15,047	149,892,764	\$9,895
1925....	15,161	215,368,570	234	61,178,322	14,927	154,190,248	\$10,330
1924....	14,393	203,190,115	225	55,152,254	14,168	148,037,861	\$10,449
1923....	13,064	209,930,272	284	70,989,189	12,780	138,941,033	\$10,872
1922....	16,923	271,338,107	337	73,234,665	16,586	198,153,442	\$11,947
1921....	13,999	254,794,285	343	89,337,955	13,656	166,456,330	\$12,189
1920....	5,532	88,558,347	139	34,609,853	5,393	53,948,494	\$10,003

IRREGULAR FLUCTUATIONS IN SECURITY MARKET TREND

Principal Stocks Receded Unevenly from the Higher Quotations of Week Preceding—Bond Prices also Easier

Stock and bond markets moved quietly in see-saw fashion this week, pending the settlement of some of the outstanding questions of the day now under debate and a definite trend in trade. Uncertainty in virtually all spheres occasioned a slight downward movement of prices in the early sessions of the week, while in later dealings mild recovery followed. Traders held aloof in these circumstances, and the turnover was hardly more than 1,000,000 shares a day in the full sessions.

The indecision on the Stock Exchange was especially pronounced in the first half of the week, when quotations of equity issues moved gently lower. The protracted and difficult negotiations on the railway wage question brought out some selling of the railway stocks and these issues lost some of their previous gains. A better tone appeared Tuesday and was subsequently maintained, partly as a result of the appointment of General Charles G. Dawes to head the Reconstruction Finance Corporation, and partly because the wage parleys at length appeared to be moving toward a definite conclusion.

City Loan Arranged

President Hoover's announcement that Mr. Dawes and Eugene Meyer, Jr., would direct the activities of the new \$2,000,000,000 corporation was, indeed, an exceptionally favorable development from the financial viewpoint, and stocks in general did better after the statement was made.

General Dawes' well-known impatience with red tape is an assurance that the immense resources of the corporation will be brought into speedy and effective play. It is confidently believed, therefore, that necessary bank and railroad aid will be made available with a minimum of delay.

Settlement, late Wednesday, of the financial predicament of the City of New York by means of concerted action of all the New York banks also was a favorable item. The agreement by the banking institutions to place an aggregate of \$250,000,000 at the disposal of the largest community in the country was an impressive demonstration of financial strength and solidarity, and the markets began to pick up with more vigor Thursday.

With civic retrenchments necessary and the city government loath for a while to effect them, borrowing by the city proceeded on a hand-to-mouth basis for a time. Only when an arrangement for curtailment of expenditures finally was made, was the extensive aid needed by the city made available. This took the form of a \$100,000,000 flotation of 6 per cent corporate stock notes, due in three to five years. An anticipated reduction in the New York Federal Reserve rediscount rate also helped, and

some of the market leaders reflected these incidents by a steady climb to higher levels.

Foreign News Unfavorable

There were several effective brakes on the upward movement, and it was anything but precipitous. Uncertainty regarding the European dispute or reparations and debts held the center of the stage much of the time, and the announcement from London that the Lausanne conference which is to consider the Bank of International Settlement's Advisory Committee report will be postponed proved unsettling. There was also some anxiety over the disclosure that France will withdraw from New York approximately \$125,000,000 in earmarked gold, through shipments of about \$12,500,000 each on all available steamers. This incident has no genuine significance, of course, as the metal belongs to the Bank of France in any case and its location in New York or Paris is a matter of the utmost indifference. With the market in a flutter, the item proved somewhat disconcerting.

Bonds Move Lower

Listed bond prices on the Stock Exchange sagged in similar soft fashion early in the week and began a modest recovery in later trading. The movements were small in comparison to the great downward swing that ended early this month and the recovery that followed. They appeared to indicate a similar waiting attitude on the part of investors.

United States government securities showed a greatly improved tone, both the long-term Treasury and the short-term Liberty bonds achieving small net gains. This was due to the growing belief that Treasury financing in the future will not amount to billions, but will be kept to the smallest possible proportions, consistent with the budgetary and reconstruction demands. Foreign bonds were on an even keel throughout the week. Domestic rails lost a little ground, owing partly to profit-taking in the low-priced division. Prime utility issues held well and industrials also maintained previous levels.

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending Jan. 21, 1932	Stocks—Shares		Bonds	
	This Week	Last Year	This Week	Last Year
Friday	1,600,000	1,321,200	\$15,065,000	\$ 8,876,000
Saturday	733,300	642,200	7,076,000	5,096,000
Monday	1,400,000	1,114,800	14,646,000	8,161,000
Tuesday	1,100,000	1,329,300	10,151,000	10,691,000
Wednesday	1,200,000	1,407,500	10,600,000	11,730,000
Thursday	1,300,000	1,860,700	10,958,000	9,496,000
Total	7,333,300	7,675,700	\$68,496,000	\$54,650,000

Dun's Review

STEEL PRODUCTION REACHES SLIGHTLY HIGHER LEVEL

Railroad Buying and Requirements of Automotive Trade Advance Operating Schedules—Price Weakness Still Evident

Steel production and finishing schedules on the average have been gaining moderately, though operations continue on an irregular basis and demands remain spotty. Wire producers in the Pittsburgh district have been encouraged by an increased flow of orders; the gain not yet actually substantial, but indicating an upward turn. Merchant pig iron makers also are inclined to believe that the low point has been passed, and note a moderate revival of interest within the past week or two. Wrought-iron pipe manufacturers give indications of needing more iron shortly and automobile plants are expected to enlarge their needs in the way of sheets and other descriptions, following the unexpectedly large number of floor sales at the shows that have been held in the East.

Low Inventories General

Figures for December on sheet steel reflect but a slight change from November, sales comparing 25.9 per cent with 26.7 per cent. Production ran about even, but shipments gained and unfilled orders were 119,677 tons on January 1, compared with 147,169 tons on December 1. With any enlargement in steel output, basic materials will improve in close relation, as inventories, on the whole, are at a low level. Ingot output is placed at close to 25 per cent of capacity.

Prices have not fully regained regularity following the recent weakness, though wire products and a few other descriptions have maintained steadiness. Nails are quoted at \$1.95, Pittsburgh, per keg. Strip steel, hot rolled, is quoted \$1.40 and \$1.50, Pittsburgh, and cold rolled, \$1.95 and \$2.05, Pittsburgh, though shaded in some instances. Tin plate is regularly \$4.75 per base box, Pittsburgh, subject to some concessions in competitive markets.

Price Irregularity Continues

Merchant steel bars are quoted \$1.50 to \$1.60, Pittsburgh, and on structural shapes and plates, \$1.50, Pittsburgh, is regarded the minimum; this does not apply generally, and a firmer attitude is indicated. At Chicago, the situation is reported somewhat firmer. Sheet prices have not become fully stabilized; new business is spotty, and on some descriptions shading is reported. Pig iron on current business is mainly in carload lots at recent price levels. The scrap market has steadied, to some degree, from sales for good-sized tonnages, restoring heavy melting steel to \$10.50 and \$10.75 at Pittsburgh. Fuel remains quiet; mild weather is holding down consumption of heating coke, and industrial volume is limited. Furnace coke is quoted at \$2.25 and \$2.40, at oven.

Steel ingot output in the Chicago district was increased to 25 per cent of capacity during the week, chiefly on an increased volume of small orders. Rail mills are down, but are expected to resume in a week on a reduced basis. Of a recent order for rails, the local area took about 10,000 tons.

Chicago Output Higher

One railroad was reported unofficially to have placed an order for 35,000 to 40,000 tons of steel rails, and another for a small amount. A third closed on a pending inquiry for 150 hopper cars, which has been active for some time. Distribution of these orders was not disclosed at the time. New railroad business still is uncertain, although two systems are expected to enter the market shortly for about 50 per cent of their normal yearly tonnage. A little upturn has appeared with the car repair shops.

Structural Orders Fair

The settlement of the wage controversy, now apparently near, probably will increase the volume of railroad orders, and it is on this that the chief hope of an early upturn in activity is based. A fair volume of structural and oil-tankage plates has appeared. New bids were called for on a 4,000-ton bridge, while others for 2,200 tons for the Outer Drive Bridge were returned because of lack of funds to complete the project.

Tankage awards took 6,000 tons, bringing the total tonnage for the last two weeks to 9,000 tons. Some structural inquiry for private projects is reported. Generally speaking, buying of bars, shapes and plates was somewhat heavier than in the week preceding, with a little better demand from automotive and farm implement sources. Better buying of wire and sheet products brought the sheet mill output for the Chicago area to 25 to 30 per cent of capacity. Ruling prices were steady, with pig iron quoted at \$16.50; rail steel bars, \$1.50 to \$1.60; soft steel bars, \$1.70; and shapes and plates, \$1.70.

Upturn at Cleveland

There has been a distinct, although rather moderate, improvement in the demand for finished steel in the Cleveland district. The increased activity is confined largely to steel bars, sheets and hot-rolled strip, orders for which are becoming more numerous. For the most part, business came from manufacturers of automotive parts, who have just received some fairly good releases. Many of the motor-car manufacturers, now that they have brought out new models, evidently are planning production programs for the next few weeks at an increase over their recent schedules.

BUSINESS CONDITIONS OF THE WEEK—REPORTED BY

ATLANTA Wholesalers in dry goods, hardware and groceries report a fair volume and small profits. Millinery jobbers are working on Spring orders. Prevailing unseasonably warm weather continues to retard the sale of Winter clothing, and retail merchants are offering merchandise at low prices, with but fair response. Advance Spring styles are now showing.

BALTIMORE Most inventories in this district are low, and this fact is believed to foreshadow substantial buying as soon as confidence in the outlook will have been restored completely. The unusually mild weather thus far this Winter has militated against the free movement of seasonal merchandise.

The money market continues easy, but there are few calls for loans. Many large corporations are fortified with cash resources, so that they have no necessity at present to float securities, in order to raise additional capital.

BOSTON The improvement noted last week continues in the shoe and textile lines. In the wool market, buying was substantially larger during the week. Commencing with the staple lines, improvement in cotton goods has extended into the fine goods division. Prices are slightly firmer. As a result of orders received at the recent style shows, shoe manufacturers are becoming more active.

BUFFALO Retail trade for the week shows a decided slump in volume among the smaller stores, as a result of more severe competition from the more progressive concerns. The Buffalo Automobile Show has been in full swing throughout the week, with a large attendance and every indication that the first quarter of 1932 in the automobile industry will show a decided gain over the first quarter of 1931. Floor purchases at the show are estimated at fully 50 per cent ahead of those of a year ago.

CHICAGO Wholesale trade has been excellent and retail trade in Chicago good with the larger stores, particularly in the textile lines. One large wholesale distributor of merchandise reported a sales volume for the first ten days of January that in both dollars and tonnage was ahead of that of last year. Midwestern retailers, likewise, report a very active demand for textile lines, while the recent firming of cotton goods is expected to discourage the extreme hand-to-mouth buying that has been in progress.

Attendance at the January furniture exhibition was good, but actual orders received were disappointing. This characterizes nearly all house-furnishing lines at present. Chicago department stores had good crowds and a steady buying of necessities.

CINCINNATI Constructive forces are moving to the foreground and with the turn of the new year, an evidence of improvement has appeared in specific instances. In the wholesale dry goods markets, more strength is evident in the price structure and advances on plain and printed fabrics have occurred both in primary markets and distributing centers. An increased number of commitments are being received from buyers anticipating further advances. Retail business lacks the stimulus that normally accompanies trade at this period of the year. Demand for wearing apparel has been slow, attributed partly to mild temperatures.

CLEVELAND The retail turnover of merchandise since the holiday season has been fairly normal. Dollar receipts are usually below the total for the same period of last year, due largely to reduced prices, but the unit volume is holding up favorably. The principal drawback is the unseasonably mild weather, which affects the demand for Winter commodities, especially clothing and fuel supplies. Stocks generally are low, on account of a policy of reserve in buying, most merchants preferring to purchase in small quantities to meet the current trend of demand.

KANSAS CITY Wheat receipts continue light, but the market has been a little firmer during the past few days. Flour business is somewhat slow, with shipping directions fair. Livestock receipts continue without much change over those of the week previous, with the market steady.

Sales by jobbers in staple lines, such as dry goods, hardware and groceries have been fair. In men's and women's clothing and furnishings, some orders are coming in for Spring merchandise. The work-clothing trade continues slow.

LOS ANGELES Little change is reported during the past week in the retail trade; in most instances, sales held steady, with continued cold weather stimulating the movement of heavy clothing. Manufacturers of women's wear report that, although some fairly substantial orders were placed at the style show held during the week, volume, as a whole, was not up to that of 1930.

Manufacturers and jobbers of millinery report an average business for the year 1931 of 5 to 10 per cent in excess of that of 1930, due, in part, to radical changes in style. Agriculture suffered a reduction in 1931 of about 25 per cent, but due to lowered cost of production, the strengthening of marketing groups, and the reduction of acreage, the outlook for 1932 appears encouraging.

LOUISVILLE Sales in some branches of the retail trade are on the increase, particularly in dairy products and drugs. Some of the firms in the latter trade report December sales ahead of those

DISTRICT OFFICES OF R. G. DUN & CO.

of November, with reductions in operating expenses offsetting the decrease in gross income from sales for the year. The recent reduction in the price of milk has resulted in a heavier demand for all classes of dairy products. The movement of automobile tires and accessories is showing a slight gain.

NEWARK Retail distribution has been retarded by unusually high temperatures, affecting adversely well-advertised clearance sales. Dealers generally are adhering to the practice, in vogue for some time, of buying cautiously and maintaining low inventories. The demand for house-furnishings, furniture and floor coverings is quiet. The sales of radio sets and parts continue low in volume, while prices in this line are inclined to find lower levels. The general volume of trade, as registered by bank clearings, is below that of a year ago.

NEW ORLEANS Local retailers are conducting special sales, and have been doing a fair volume of business. Wholesalers are selling a moderate number of small orders, but most concerns are devoting their time principally to completing inventories and preparing for the Spring trade.

Cotton has shown some increased activity, with quotations a trifle higher. The rice market also has been moderately active, with prices holding firm. There has been an increase in the demand for sugar, with a moderate advance in prices.

OMAHA The seasonal Winter weather has helped some retailers to clean up the balance of their overcoats and heavy merchandise, and has accelerated the movement of rubber footwear. The response to some of the January clearance sales has been small, the demand for white goods being below the seasonal volume. Spring buying at wholesale is late in getting started.

PITTSBURGH There has been comparatively little change in the volume of business transacted by wholesalers and retailers, sales being still materially lower than normal. Movement of seasonable wearing apparel has been much restricted by the Spring-like weather which has prevailed nearly all this month. Industrial operations show a slight increase, with steel output estimated at about 26 per cent of capacity, and buying in some lines is slightly better.

PORTLAND, Ore. The Portland cement industry in Oregon announces that output in 1931 compared favorably with that of 1930. Lumber production was in excess of that of the previous week, but still is below the record of the corresponding week of the previous year. Orders are slightly in excess of production, and some mills which have been closed down are re-opening.

Usual January dullness prevails in retail lines. The advent of colder weather has increased activity in shoes and clothing. Work is about to start on a new Federal building. An organized effort is being made to stimulate construction work. The machinery trade continues fairly active.

ROCHESTER Factory employment for December showed a 6 per cent advance over November. New life insurance paid for in December was 3 per cent ahead of December, 1930, and showed a 63 per cent gain over November, 1931. Residential electric sales for December were 3.5 per cent ahead of December, 1930. For 1931, residential sales advanced 7.7 per cent over the 1930 level.

Business electricity sales during December were 6.5 per cent below those of December, 1930, and for 1931 were 8.4 per cent behind the record of 1930. Warm weather has aided gasoline and oil sales, whereas retail clothing demand is substantially below that of a year ago.

ST. LOUIS General activity in the retail and wholesale lines is reported to have strengthened somewhat during the past few days. Houses reporting in the wholesale and jobbing lines indicate an increase in the volume of orders being received.

Manufacturers of heavy chemicals and drugs express satisfaction with the present conditions and for the immediate future. Flour mills report a somewhat improved condition over that of the previous week, but the volume still is below normal for this time of the year, with the bulk of the business confined to bakers, who are not inclined to contract for future deliveries. The livestock and farm products market remains dull, with practically no change in price levels.

TOLEDO Retail trade has been unseasonably quiet since the first of the month, because of unusually warm weather. The widely advertised sales at reduced prices have not greatly increased distribution. Building operations are confined mainly to repair work on residence properties. Employment in industrial plants, as a whole, shows an increase of 1 per cent; this is almost entirely in automotive parts manufactures.

TWIN CITIES (St. Paul-Minneapolis) A great many of the wholesalers and retailers have not completed their annual inventories, but reports received from nearly all sections of this district indicate that those in business in the city of St. Paul fared the best during the past year. Current orders at wholesale for general merchandise, groceries and foodstuffs are slightly ahead of those for the same period in 1931; other lines not doing so well. January clearance sales in the retail trade are quoted as receiving a little better than normal patronage.

WEEKLY QUOTATIONS RECORD OF

Improved Price Trend Continues

The encouraging upward swing of commodity prices noted a week ago continues, with the spread between the advances and declines making a somewhat better showing than they did in the

exhibit immediately preceding. The advances in this week's compilation of Dun's wholesale commodity quotations were 38.8 per cent ahead of those for the week ended January 16.

In the declines, the showing was slightly less favorable, the number running 20.5 per cent fewer

	Ch'ge	This Week	Last Week	Last Year		Ch'ge	This Week	Last Week	Last Year
FOODSTUFFS									
BEANS: Pea, choice.....100 lbs +10	2.85	2.75	5.50		FAS Plain Red Gum,				
Red kidney, choice..... " -15	3.35	3.50	9.75		4/4"per M ft.	76.00	76.00	102.00	
White kidney, choice..... " -15	4.75	4.75	7.50		FAS Ash 4/4"..... " " "	71.00	71.00	90.00	
COFFEE: No. 7 Rio.....lb	7	7	6 1/4		FAS Poplar, 4/4", 7 to	80.00	80.00	110.00	
Santos No. 4..... " -1	9	9	9 1/4		17" " " "				
DAIRY:					Beech, No. 1 Common, " " "	45.00	45.00	50.00	
Butter, creamery, extra.....lb + 1/2	23 1/2	23	29		FAS Birch, Red 4/4"..... " " "	85.00	85.00	115.00	
Cheese, N. Y., fancy..... " - 1/2	16	16	18		FAS Cypress, 1"..... " " "	77.00	77.00	87.50	
Eggs, nearby, fancy.....dox - 1/2	24	24 1/2	28 1/2		FAS Chestnut, 4/4"..... " " "	65.00	65.00	80.00	
Fresh, gathered, extra firsts..... -1	20	21	27		No. 1 Com. Mahogany, " " "	150.00	150.00	156.50	
DRIED FRUITS:					(African), 4/4"..... " " "	70.00	70.00	85.00	
Apples, evaporated, fancy.....lb	9 1/4	9 1/4	11		FAS H. Maple, 4/4"..... " " "	25.00	25.00	34.00	
Apricots, choice..... " - 1/2	9 1/4	9 1/4	12		Canada Spruce, 2x4"..... " " "				
Citron, imported..... " - 1/2	17	17	18		N. C. Pine, 4/4", Edge				
Currents, cleaned, 50-lb. box.....	11 1/4	11 1/4	11 1/4		Under 12" No. 2 and				
Lemon Peel, imported..... " - 1/2	16	16	14		Better " " "	39.00	39.00	46.50	
Orange Peel, imported..... " - 1/2	17 1/2	17 1/2	15		Yellow Pine, 3x12"..... " " "	43.00	43.00	62.00	
Peaches, Cal. standard..... " - 1/2	7	7	7 1/4		FAS Basswood, 4/4"..... " " "	63.00	63.00	79.00	
Prunes, Cal. 40-50, 25-lb. box.....	5 1/4	5 1/4	7 1/4		Douglas Fir, Water				
FLOUR: Spring Pat.....100 lbs +5	4.40	4.35	4.50		Ship, c. i. f., N. Y.,	20.50	20.50	26.00	
Winter, Soft Straights..... " +5	3.35	3.30	4.10		2x4", 18 feet..... " " "				
Fancy Minn. Family..... " -5	5.80	5.85	6.30		Cal. Redwood, 4/4", " " "	66.00	66.00	75.00	
GRAIN: Wheat, No. 2 R.....bu +2 3/4	75 1/2	72 1/2	98 1/2		Clear				
Corn, No. 2 yellow..... " +2	52 1/2	50 1/2	83 1/2		North Carolina Pine	23.00	23.00	27.50	
Oats, No. 3 white..... " + 1/4	36 1/2	36 1/4	41 1/2		Roofers, 13/16x6"..... " " "	5.00	5.00	7.00	
Rye, No. 2, F.O.B..... " + 1/4	61 1/2	59 1/2	44		Rosin "B".....bbl	3.30	3.30	4.65	
Barley, malting..... " + 1/8	62 1/2	62 1/2	56 1/2		Tar, kiln burned..... " "	10.00	10.00	13.00	
Hay, No. 1.....100 lbs	92 1/2	92 1/2	1.45		Turpentine, carlots.....gal -1 1/4	39 1/2	40 1/2	43 1/4	
HOPS: Pacific, Pr. '30.....lb	18	18	22		PAINTS: Litharge, com'l Am. lb	12	12	13 1/4	
MOLASSES AND SYRUP:					Red Lead, dry.....100	12	12	13 1/4	
Blackstrap-bbls.....gal	9 1/4	9 1/4	12		White Lead in Paste.....lb	12	12	13 1/4	
Extra Fancy..... " - 1/2	54	54	54		dry..... " "	12	12	13 1/4	
PEAS: Yellow split, dom. 100 lbs	5.00	5.00	4.50		Zinc, American..... " "	6 1/2	6 1/2	6 1/2	
PROVISIONS, Chicago:					F. P. R. S..... " "	9 1/2	9 1/2	9 1/2	
Beef Steers, best fat.....100 lbs -25	11.25	11.50	11.25		ADVANCES 0; DECLINES 1.				
Hogs, 220-250 lb. w'ts..... " -15	4.15	4.30	7.90						
Lard, N. Y., Mid. W..... " +20	5.55	5.35	8.90						
Pork, mess.....bbl +75	17.50	16.75	28.50						
Lamb, best fat, natives.....100 lbs	6.00	6.00	9.00						
Sheep, fat ewes..... " +37	2.50	2.50	3.00						
Short ribs, sides l'ee..... " + 1/4	6.12	5.75	11.62						
Bacon, N. Y., 140 down.....lb	7 1/4	7 1/4	14						
Hams, N. Y., 13-20 lb..... " + 1/4	10 1/4	10 1/4	16						
Tallow, N. Y., sp. loose..... " + 1/4	2 1/4	2 1/4	4						
RICE: Dom. Long grain, fancy.....lb	4 1/4	4 1/4	5 1/4						
Blue Rose, choice..... " - 1/8	3	3	4 1/4						
Foreign, Japan, fancy..... " - 1/8	3 1/4	3 1/4	3 1/2						
SPICES: Mace, Banda No. 1.....lb	39	39	58						
Cloves, Zanzibar..... " - 1/4	13 1/4	14	28						
Nutmegs, 105-110..... " - 1/4	13	13	17						
Ginger, Cochon..... " -1	6 1/2	7 1/2	12						
Pepper, Lampong, black..... " + 1/4	11	10 1/2	13 1/2						
" Singapore, white..... " + 1/4	14	14	20 1/4						
" Mombasa, red..... " - 1/4	17	17	18						
SUGAR: Cent. 90.....100 lbs -7	3.10	3.17	3.40						
Fine gran., 1/2 bbls..... " - 1/2	4.15	4.15	4.70						
TEA: Formosa, standard.....lb	11	11	14						
Fine..... " - 1/2	21	21	22						
Japan, basket fired..... " - 1/2	12	12	15						
Congou, standard..... " - 1/2	9	9	12						
VEGETABLES: Cabbage (nearby)									
bakt..... " +10	60	50	1.50						
Onions (Jersey), Yel.....bakt	1.50	1.50	90						
Potatoes, L. I.....180-lb. sack	2.10	2.10	3.50						
Turnips, Can., Rutabaga.....bag -5	50	55	1.25						
ADVANCES 15; DECLINES 11.									
BUILDING MATERIALS									
Brick, N. Y., delivered.....1000	10.50	10.50	15.00		BURLAP, 10 1/2-oz. 40-in.....yd	4 1/2	4 1/2	5 1/2	
Portland Cement, N. Y., Trk.					8-oz. 40-in..... " "	3 1/2	3 1/2	4	
loads, delivered.....bbl	1.66	1.66	2.60		COTTON GOODS:				
Chicago, carloads..... " - 1/2	1.85	1.85	1.95		Brown sheetings, stand.....yd	5 1/2	5 1/2	8 1/4	
Philadelphia, carloads..... " - 1/2	2.35	2.35	2.50		Wide sheetings, 10-4..... " "	42	42	50	
Lath, Eastern spruce.....100	4.00	4.00	3.75		Bleached sheetings, stand..... " "	13	13	14	
Lime, hyd. masons, N. Y.....ton	13.00	13.00	14.00		Medium..... " "	9	9	9 1/4	
Shingles, Cyp., Pr. No. 1.....1000	8.25	8.25	13.00		Brown sheetings, 4 yd..... " "	4 1/4	4 1/4	6 1/4	
Red Cedar, Clear, rail..... " - 1/2	2.85	2.85	3.66		Standard print..... " "	6 1/4	6 1/4	7 1/2	
LUMBER:					Brown drills, standard..... " "	5 1/4	5 1/4	9	
White Pine, No. 1 Barn,					Staple ginghams..... " "	6 1/4	6 1/4	8	
1x4".....per M ft.	52.00	52.00	55.50		Print cloths, 38 1/2-in. 64x60..... " + 1/2	3 1/2	3 1/2	5	
FAS Quartered Wh. Oak, " " "	139.00	139.00	154.00		Hose, belting, duck..... " - 1/2	19	19	24	
FAS Plain Wh. Oak, " " "	110.00	110.00	110.00		HEMP: Midway, Fair Current.....lb - 1/2	4 1/2	4 1/2	5	
					JUTE: first marks..... " - 1/2	3 1/4	3 1/4	3 1/2	
					RAYON:				
					Den. Fil.				
					a 150 22-32..... " "	75	75	95	
					b 150 40..... " "	1.00	1.00	1.60	
					a Viscose Process. b Cellulose				
					Acetate.				
					SILK: Italian Ex. Clas. (Yel.) lb.	2.20	2.20	2.75	
					Japan, Extra Crack..... " +7	2.05	1.98	2.75	
					WOOL, Boston:				
					Average, 25 quot.....lb	36.70	36.70	44.82	
					Ohio & Pa. Fleeces:				
					Delaine Unwashed..... " "	23 1/2	23 1/2	29	
					Half-Blood Combing..... " "	23	23	29	
					Half-Blood Clothing..... " "	20	20	25	
					Common and Braid..... " "	16	16	24	

WHOLESALE COMMODITY PRICES

than in last week's record, and the same percentage under the number set down last year. The food-stuffs group contributed 15 of the 18 advances this week, the higher quotations on all grains, flour, butter and the pork products constituting the bulk of the gains.

Silk quotations were somewhat higher, and encouraging firmness was noted in cotton goods and wool. The monthly revisions in coal carried all the anthracite listings lower. Another cut in news-print has brought the current quotation down to \$53. Copper and zinc show lack of stability.

	Ch'ge	This Week	Last Week	Last Year		Ch'ge	This Week	Last Week	Last Year
Mich., and N. Y. Fleeces:					Soda ash, 58% light.....100 lbs	1.05	1.05	1.00	
Delaine Unwashed.....lb	21	21	26		Soda benzoate.....lb	40	40	40	
Half-Blood Combing....."	22	22	27		ADVANCES 0; DECLINES 1.				
Half-Blood Clothing....."	19	19	25						
Wis., Mo., and N. E.:					METALS				
Half-Blood....."	20	20	24		Pig Iron: No. 2X, Ph.....ton	15.64	15.64	17.76	
Quarter-Blood....."	19	19	24		No. 2 valley furnace....."	15.50	15.50	17.00	
Southern Fleeces:					Bessemer, Pittsburgh....."	17.89	17.89	19.26	
Ordinary Mediums....."	19	19	22		No. 2 South Cincinnati....."	14.82	14.82	14.19	
Ky., W. Va., etc.; Three-eighths					Billets, rerolling, Pittsburgh..	28.00	28.00	30.00	
Blood Unwashed....."	25	25	28		Forging, Pittsburgh....."	34.00	35.00	36.00	
Quarter-Blood Combing....."	22	22	28		Wire rods, Pittsburgh....."	37.00	37.00	35.00	
Texas, Scoured Basils:					O-h rails, hy., at mill....."	43.00	43.00	43.00	
Fine, 12 months....."	54	54	64		Iron bars, Chicago.....100 lb + 10	1.70	1.60	1.70	
Fine, 8 months....."	46	46	60		Steel bars, Pittsburgh....."	1.50	1.50	1.65	
California, Scoured Basils:					Tank plates, Pittsburgh....."	1.50	1.50	1.65	
Northern....."	46	46	58		Shapes, Pittsburgh....."	1.50	1.50	1.65	
Southern....."	45	45	56		Sheets, black No. 24, Pitts-				
Oregon, Scoured Basils:					burgh....."	2.25	2.25	2.35	
Fine & F. M. Staple....."	54	54	67		Wire Nails, Pittsburgh....."	1.95	1.95	1.90	
Valley No. 1....."	48	48	58		Barb Wire, galvanized,				
Territory, Scoured Basils:					Pittsburgh....."	2.60	2.60	2.55	
Fine Staple Choice....."	57	57	68		Galv. Sheets No. 24, Pitts-				
Half-Blood Combing....."	52	52	60		burgh....."	2.80	2.80	2.90	
Fine Clothing....."	45	45	60		Coke, Connelleville, oven.....ton	2.25	2.25	2.50	
Pulled: Delaine....."	63	63	73		Furnace, prompt ship....."	3.50	3.50	3.50	
Fine Combing....."	58	58	58		Foundry, prompt ship....."	22%	22%	22%	
Coarse Combing....."	40	40	45		Aluminum, pig (ton lots).....lb	6	6	7%	
California AA....."	60	60	70		Antimony, ordinary....."	7%	7%	10	
WOOLEN GOODS:					Copper, electrolytic....."	3%	3%	4%	
Standard cheviot, 14-oz.....yd	1.70 1/4	1.70 1/4	1.46		Zinc, N. Y....."	3%	3%	4%	
Serge, 11-oz....."	1.35	1.35	1.80		Lead, N. Y....."	22	22	25 1/2	
Serge, 16-oz....."	2.00	2.00	2.31		Tin, N. Y....."	4.75	4.75	5.00	
Fancy cassimere, 18-oz....."	1.57	1.57	1.87 1/2		Tinplate, Pittsburgh, 100-lb. box				
36-in. all-worsted serge....."	45	45	60		ADVANCES 1; DECLINES 3.				
86-in. all-worsted Pan....."	45	45	60						
Broadcloth, 54-in....."	2.50	2.50	3.25						
ADVANCES 2; DECLINES 2.									
DRUGS AND CHEMICALS					MISCELLANEOUS				
Acetanilid, U.S.P., bbls.....lb	36	36	36		COAL: f.o.b. Mines.....ton				
Acid, Acetic, 28 deg.....100 lbs	2.60	2.60	2.60		Bituminous:				
Carbolic, cans....."	17	17	17		Navy Standard....."	2.15	2.15	2.10	
Citric, domestic.....lb	37 1/4	37 1/4	40 1/4		High Volatile, Steam....."	1.25	1.25	1.25	
Muriatic, 18.....100 lbs	1.00	1.00	1.00		Anthracite, Company:				
Nitric, 52....."	6.50	6.50	6.50		Stove....."	7.94	8.00	8.00	
Oxalic, spot.....lb	10 1/4	10 1/4	11		Egg....."	7.69	7.75	7.75	
Sulphuric, 60.....100 lbs	55	55	55		Nut....."	7.69	7.75	7.75	
Tartaric crystals.....lb	27 1/4	27 1/4	31		Pea....."	5.69	5.75	5.75	
Fluor Spar, acid, 98%.....ton	38.50	38.50	38.50		DYESTUFFS—Bi-chromate				
Alcohol, 100 proof U.S.P.....gal	2.37	2.37	2.55 1/2		Potash, am.....lb	8	8	9	
" wood 95%....."	44	44	44		Cochineal, silver....."	46	46	52	
" denatured, form 5....."	31%	31%	39		Cutch, Rangoon....."	9 1/4	9 1/4	10	
Alum, lump.....lb	2.25	2.25	3.30		Gambier, Plantation....."	8 1/2	8 1/2	7%	
Ammonia, anhydrous....."	15 1/2	15 1/2	15 1/2		Indigo, Madras....."	1.25	1.30	1.25	
Arsenic, white....."	4	4	4		Prussiate potash, yellow....."	18 1/2	18 1/2	18 1/2	
Balsam, Copaiba, S. A....."	18	18	25		FERTILIZERS:				
Fir, Canada.....gal	10.00	10.00	11.00		Bones, ground steamed, 1 1/4,				
Peru....."	95	95	1.50		am., 60% bone phosphate....."				
Bicarbonate Soda, Am.....100 lbs	2.54	2.54	2.25		Chicago.....ton	25.00	25.00	28.50	
Bleaching powder, over					Muriate potash, 80%....."	37.15	37.15	37.15	
34%....."	2.00	2.00	2.00		Nitrate soda.....100 lbs	1.77	1.77	2.05	
Borax, crystal, in bbl.....lb	2 1/2	2 1/2	2 1/2		Sulphate ammonia, do-				
Brimstone, crude domestic.....ton	18.00	18.00	18.00		mestic, delivered....."	1.10	1.10	1.10	
Calomel, American.....lb	1.51	1.51	2.05		Sulphate potash, bs. 90%.....ton	48.25	48.25	48.25	
Camphor, slabs....."	49	49	55		OILS: Coconut, Spot, N.Y.....lb				
Castile Soap, white.....case	15.00	15.00	15.00		China Wood, bbls., spot....."	3 1/4	3 1/4	5%	
Caustic Soda, 76%.....100 lbs	2.25	2.25	2.25		Cod, Newfoundland.....gal	28	28	48	
Chlorate potash....."	8	8	8		Corn, crude Mill.....lb	3 1/4	3 1/4	7 1/4	
Chloroform, U.S.P....."	25	25	25		Cottonseed, spot....."	4	4	7 1/4	
Cocaine, Hydrochloride.....oz	8.50	8.50	8.50		Lard, Extra, Winter st....."	7 1/4	7 1/4	9 3/4	
Cream Tartar, domestic.....lb	20 1/4	20 1/4	24 1/4		Linseed, city raw, carlots....."	6%	6%	8%	
Epsom Salts.....100 lbs	2.25	2.25	2.25		Nutsfoot, pure....."	9 1/4	9 1/4	11 1/4	
Formaldehyde.....lb	6	6	6		Rosin, first run.....gal	47	47	56	
Glycerine, C. P. in drums....."	11 1/4	11 1/4	12 1/2		Soya-Bean, tank, cars, M. W.....lb	3	3	7	
Gum-Arabic, Amber....."	6 1/2	6 1/2	11 1/2		Petroleum, Pa., cr., at well.....bbl	1.58	1.58	1.77	
Benzoin, Sumatra....."	23	23	35 1/2		Kerosene, wagon, delivery.....gal	17	17	17	
Gamboge, pipe....."	75	75	85		Gas'e auto in gar., st. bbls....."	12%	12%	12%	
Shellac, D. C....."	38	38	40		Wax, ref. 125 m. p.....lb	3	3	3 1/2	
Tragacanth, Aleppo 1st....."	1.05	1.05	1.35		PAPER: Newsroll Contract.....				
Licorice Extract....."	18	18	18		Book, S. & S. C.....lb	5 1/4	5 1/4	5 1/2	
Powdered....."	33	33	33		Writing, tub-sized....."	4 1/2	4 1/2	10	
Menthol, Japan, cases....."	3.25	3.25	3.75		No. 1 Kraft....."	4 1/2	4 1/2	4 1/4	
Morphine, Sulph., bulk.....oz	7.95	7.95	8.95		Sulphite, Domestic, bl.....100 lbs	2.00	2.00	2.65	
Nitrate Silver, crystals....."	23 1/4	23 1/4	24		Old Paper No. 1 Mix....."	15	15	15	
Nux Vomica, powdered.....lb	7%	7%	8		PLATINUM.....oz				
Opium, jobbing lots....."	12.00	12.00	12.00		37.50	37.50	44.00		
Quicksilver, 75-lb. flask....."	65.00	65.00	105.00		RUBBER: Up-River, fine.....lb				
Quinine, 100-oz. tins.....oz	40	40	40		Plan, 1st Latex, crude....."	5 1/4	5 1/4	11 1/4	
Rochelle Salts.....lb	16	16	19		ADVANCES 0; DECLINES 9.				
Sai ammoniac, lump, imp....."	10 1/4	10 1/4	10 1/4						
Sai soda, American.....100 lbs	90	90	90						
Saltpetre, crystals....."	7 1/4	7 1/4	7 1/4						
Sarsaparilla, Honduras.....lb	42	42	42						
					TOTAL ADVANCES.....	18	28	16	
					TOTAL DECLINES.....	31	39	39	

NATIONAL MONEY AND CREDIT CONDITIONS

Midwestern Rates Continue Firm, Despite Easing Tendency at Eastern Centers—Month's Collection Average Improved

MONEY MARKETS

In Eastern Districts

Boston The reserve ratio increased slightly during the week from 65.7 to 66 per cent. The reserves show a reduction of about \$5,000,000. The call rate generally is $3\frac{1}{2}$ per cent, and time money ranges from $4\frac{1}{4}$ to $4\frac{1}{2}$ per cent. Commercial paper varies from $3\frac{3}{4}$ to 4 per cent, with the market easier than it was last week.

Philadelphia Call money continues to be quoted at 4 per cent, customers' loans at $4\frac{1}{2}$ to 6 per cent, and prime commercial paper $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent, with the usual shadings for prime names. In connection with the latter, both supply and demand are light, with a preference for short maturities.

In South and Southwest

St. Louis There has been no change of a material nature in the local money market. The supply of funds is ample to meet all requirements, with rates continuing low.

Atlanta Local demand for money continues moderate, with no change in interest rates. The supply of funds is ample for all current needs.

Dallas A slight improvement has been noted in commercial demand for loans lately, but the money market, as a whole, remains quiet.

In Western Districts

Chicago Commercial paper on the local market continues at $3\frac{3}{4}$ to $4\frac{1}{2}$ per cent, and over-the-counter loans range from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent. Brokerage loans on collateral are fairly constant at $4\frac{1}{2}$ per cent. Customers' loans on collateral fluctuate from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent.

Cincinnati Money remains firm in the local market, despite the easing tendency of rates in Eastern centers. Commercial transactions are slow, with quotations unchanged on a basis of $5\frac{1}{2}$ to 6 per cent. Commitments from brokers are handled on a 6 per cent basis, as a rule, but very few loans are coming from this quarter.

Cleveland Money conditions were quiet during the past week. Recent bank statements show a healthy state of liquidity. Interest rates are steady at the easy levels prevailing for several weeks.

Kansas City Deposits and loans held about stationary during the past week. Funds are reported as plentiful. Rates continue to range from 5 to 6 per cent.

Twin Cities (Minneapolis-St. Paul) Bank rates now range from $4\frac{1}{2}$ to 6 per cent, with com-

mercial paper varying from $3\frac{3}{4}$ to $4\frac{1}{2}$ per cent. Higher rates have prevailed since October, when they stiffened, as a result of both foreign and domestic influences. There are indications of a slight reduction in the near future.

COLLECTION CONDITIONS

In Eastern Sections

Boston Collections are running much below the average of the past several weeks.

Philadelphia There seems to be a better trend to collections, with some improvement noted.

Newark Outside of some branches of the retail trade, collections show no improvement.

Pittsburgh Collections still average slow, with both wholesalers and retailers.

Buffalo Both wholesale and retail collections reflect a healthier monetary situation.

In South and Southwest

St. Louis Collections have improved during the past week, wholesalers receiving better returns, and retailers offering no complaint.

Baltimore Returns in this district still are subnormal for this time of the year.

Jacksonville Collections in this district have slowed down a bit during the month.

New Orleans Collections with retailers are slightly better than in wholesale lines.

Louisville Thus far in January, collections are better than they were in December.

In Western Sections

Cincinnati Installment collections continue irregular, but wholesale payments are prompter.

Cleveland A slight pick-up has been noted in collections since the first of the year.

Detroit The collection average has been better than the sales average, particularly with installment houses.

Omaha General collections are reported less favorable than they were two weeks ago.

Wichita The majority of the reports received show that collections continue slow.

Twin Cities (St. Paul-Minneapolis) The general collection average locally is fair to slow.

Denver Collections have improved slightly, and are generally classed as fair.

Los Angeles Although slightly improved, collections generally continue slow.

Portland, Ore. Collections have improved in jobbing quarters and are generally reported better than at any time in recent months.

COURSE OF INTERNATIONAL MONEY MARKETS

Continued Ease in Domestic Rates and Fluctuations in Foreign Exchange

Narrow—Heavy Exports of Gold Resumed

Monetary trends in New York were again dominated this week by the Federal Reserve policy of ease for the purpose of arresting deflation. Funds were available to Stock Exchange collateral borrowers at unchanged levels, and a considerable supply of money was reported in the market, although demand remained light. The prospects of a reduction in the Federal Reserve Bank of New York rediscount rate from the $3\frac{1}{2}$ per cent level which prevailed since October 16, last, were widely discussed, particularly so in view of the intimations from Washington early in the week that reduction might be made soon.

Call loans on the Stock Exchange were $2\frac{1}{2}$ per cent for all transactions, whether renewals or new loans. This figure also prevailed in the unofficial "street" trading which progressed on the basis of banking house funds. The Curb Exchange rate was 3 per cent, in accordance with the usual $\frac{1}{2}$ per cent differential above the Stock Exchange figure. Time loans also were unchanged, rates for all maturities ruling at $3\frac{1}{2}$ to $3\frac{3}{4}$ per cent. There was little business transacted in either the demand or time money departments of the market. The selective nature of the money market was illustrated this week by the borrowing of the City of New York in the amount of \$100,000,000 from a banking group embracing virtually all the institutions in Greater New York.

Acceptance Volume Declines

Commercial paper dealings remained diminutive, and rates here also represented a carry-over from earlier levels. Paper with prime names was $3\frac{3}{4}$ to 4 per cent for all maturities, while 4 to $4\frac{1}{4}$ per cent was charged on other paper.

In the bankers' acceptance market demand for bills was good, both the Federal Reserve and outside banks being purchasers. Supply held to small levels, however, and rates also were continued, as the Federal Reserve buying rate dominates the market. Bills of thirty to ninety days' maturity were quoted $2\frac{7}{8}$ per cent bid and $2\frac{3}{4}$ per cent asked, while the upper range was $3\frac{3}{8}$ per cent bid and $3\frac{1}{4}$ per cent asked for maturities of five to six months.

Gold Flows Abroad

The outward movement of gold assumed rather larger proportions this week than was indicated by the French bank decision. On Wednesday alone, \$19,393,000 of gold was shipped abroad, and the reduction of \$4,027,000 in earmarked stocks was only a partial compensation. In addition to a \$12,000,000 shipment to France, gold to the value of \$4,141,000 went to Belgium, while \$3,250,000 was

shipped to England. These outward movements are attributable in part to European fears that the anti-deflation policy of the Reserve Bank here may lead to inflation. Absurd as these fears are, they are producing what Europeans regard as a precautionary withdrawal of gold.

Foreign exchange movements were small this week, with exchanges moving against the dollar one day and in favor of it the next. This market is difficult to interpret at best, as it is influenced by all the factors that make up the international network of actions and reactions. In present circumstances, with most of the world off the gold standard, the fluctuations are in large part attributable to psychological as well as to ordinary trade influences.

Daily closing quotations of foreign exchange (bankers' bills) in the New York market follow:

	Fri. Jan. 15	Sat. Jan. 16	Mon. Jan. 18	Tues. Jan. 19	Wed. Jan. 20	Thurs. Jan. 21
Sterling, checks...	3.48 $\frac{1}{2}$	3.48	3.47 $\frac{1}{2}$	3.45 $\frac{1}{2}$	3.45	3.45 $\frac{1}{2}$
Sterling, cables...	3.48 $\frac{1}{2}$	3.48 $\frac{1}{2}$	3.47 $\frac{1}{2}$	3.45 $\frac{1}{2}$	3.45	3.46
Paris, checks...	3.92 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$
Paris, cables...	3.92 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$	3.93 $\frac{1}{2}$
Berlin, checks...	23.73	23.73	23.57	23.63	23.62	23.65
Berlin, cables...	23.75	23.75	23.59	23.65	23.64	23.70
Antwerp, checks...	13.80 $\frac{1}{2}$	13.80 $\frac{1}{2}$	13.83 $\frac{1}{2}$	13.82 $\frac{1}{2}$	13.83 $\frac{1}{2}$	13.83
Antwerp, cables...	13.90	13.90	13.94	13.93	13.94	13.94
Lire, checks...	5.07 $\frac{1}{2}$	5.05 $\frac{1}{2}$	5.00 $\frac{1}{2}$	5.03 $\frac{1}{2}$	5.07	5.01 $\frac{1}{2}$
Lire, cables...	5.07 $\frac{1}{2}$	5.05 $\frac{1}{2}$	5.00 $\frac{1}{2}$	5.03 $\frac{1}{2}$	5.07 $\frac{1}{2}$	5.02 $\frac{1}{2}$
Swiss, checks...	19.51 $\frac{1}{2}$	19.51 $\frac{1}{2}$	19.53	19.51 $\frac{1}{2}$	19.52	19.50 $\frac{1}{2}$
Swiss, cables...	19.52	19.52	19.53 $\frac{1}{2}$	19.52	19.52 $\frac{1}{2}$	19.51 $\frac{1}{2}$
Guilders, checks...	40.15	40.24	40.26	40.23	40.22	40.23 $\frac{1}{2}$
Guilders, cables...	40.16	40.25	40.27	40.24	40.23	40.26
Peetas, checks...	8.43 $\frac{1}{2}$	8.44	8.44	8.42 $\frac{1}{2}$	8.43	8.41
Peetas, cables...	8.44 $\frac{1}{2}$	8.45	8.45	8.43 $\frac{1}{2}$	8.44	8.42
Denmark, checks...	19.19	19.19	19.14	19.11	19.04	19.00
Denmark, cables...	19.20	19.20	19.15	19.12	19.05	19.05
Sweden, checks...	19.34	19.39	19.41	19.39	19.33	19.30
Sweden, cables...	19.35	19.40	19.42	19.40	19.34	19.35
Norway, checks...	19.01	19.09	18.99	18.83	18.82	18.78
Norway, cables...	19.02	19.10	19.00	18.84	18.83	18.83
Greece, checks...	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$
Greece, cables...	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$	1.28 $\frac{1}{2}$
Portugal, checks...	3.20	3.20	3.20	3.18	3.18	3.18
Portugal, cables...	3.22	3.22	3.22	3.20	3.20	3.20
Australia, checks...	2.78	2.78	2.78	2.76	2.76 $\frac{1}{2}$...
Australia, cables...	2.79	2.79	2.78	2.77	2.76 $\frac{1}{2}$...
Montreal, demand...	84.62	85.75	84.75	86.31	85.62	85.12
Argentina, demand...	25.95	25.95	25.95	25.95	25.95	25.95
Brazil, demand...	6.20	6.20	6.20	5.95	5.20	5.80
Chile, demand...	12.08	12.08	12.10	12.13	12.08	12.05
Uruguay, demand...	46.00	46.00	45.00	45.00	46.25	44.75

Exchange Fluctuations Narrow

Sterling exchange remains of greatest interest in the market, and guesses are heard every day regarding the point of ultimate stabilization of the British unit. Prevailing ideas in banking circles center around the \$3.50 level, and, indeed, the movements of the currency seem to lend color to this belief. In the current week sterling ranged just under the \$3.50 level, sagging slowly from \$3.47 as the week opened to about \$3.45 in later dealings.

French and Swiss francs moved sturdily against the dollar early in the week, and movements of gold to these countries were possible on a bank profit basis. The units declined somewhat in the midweek dealings, but held close to the upper gold point. Italian lire were firm, but belgas, guilders and the Scandinavian units moved slightly lower. German marks were soft Monday, but regained most of the loss later.

CLOTHING INDUSTRY MADE FAIR SHOWING DURING 1931

Decrease in Sales Less Marked than in 1930, with Trend Toward Higher-Priced Brackets—Price Structure More Stable

In general, 1930 and 1931 were trying years for the clothing trade. It seems that almost everything that could have happened did happen. The weather was unfavorable during most of the year, and the unseasonably warm temperatures of the Fall and Winter months brought demand almost to a stop. This was especially detrimental to the production and distribution of overcoats, the carry-over of which from the year preceding had been unusually high.

Some dealers attempted to resuscitate business by marking prices lower and lower. This did not help, as more units had to be sold in order to meet previous sales totals. As a result, manufacturers had to fight hard to stave off disaster, as in addition to the recession in prices, output declined steadily all year.

For, there were 637,566 fewer suits for men and boys made in 1931 than in 1930, and 4,333,906 fewer than in 1929. In overcoats, the number made in 1931 was 64,000 under the total for 1930, and 1,966,002 short of the output of 1929.

Production of Men's Suits

Year	Number
1929.....	15,826,790
1930.....	12,130,450
1931.....	11,492,884

Production of Men's Overcoats

Year	Number
1929.....	4,892,504
1930.....	2,990,502
1931.....	2,926,502

The monthly average of output of men's and boys' suits dropped from 2,453,000 in 1929 to 1,848,000 in 1930, and to 1,733,000 in 1931. The monthly average output of men's and boys' overcoats dropped 37 per cent in 1930, the figure for that year declining to 362,000 from 575,000 for 1929. In 1931, the decline was only 16.8 per cent, the monthly average for that period being placed at 301,000.

Value of Output Lowered

In 1927, there were 3,562 establishments in the United States producing men's and boys' clothing, with the annual value of the output placed at \$932,171,718. This was about the same as it had been in 1926. By 1929, the number of manufacturers had increased to 3,623, but the value of production receded to \$834,359,689, a decline of about 10 per cent from the value in 1926.

By the end of 1930, the number of manufacturers had dropped to 3,461 and the value of the

output to \$667,487,752. While the number of establishments approximately was the same in 1931, and output declined but 5.2 per cent, and the number of employed but 5 per cent, the value of the merchandise produced went down to \$567,364,590.

This drop of 39.1 per cent in the value of men's and boys' clothing manufactured in 1931 from that in 1927, as compared with the decline of 26.6 per cent in the number of units manufactured, was the result largely of the incessant pressure on the price structure and the uniformity of the demand for suits and overcoats in the low-priced brackets.

Manufacturing costs have been reduced only slightly and that largely by cuts in fixed overhead other than labor. It still costs the manufacturer about 10 per cent to sell his output.

Dollar Volume of Sales Smaller

While unit sales in many parts of the country were nearly on a par with the showing in 1930, the dollar volume of clothing sales in 1931 declined approximately 10 to 15 per cent. In some cases, unit sales went as high as 20 per cent above the record of 1930, but such gains were made chiefly in those stores dealing exclusively in the cheaper grades of clothing. As a result, the retailer in 1931 had to sell two suits of clothes to make the same profit he realized in 1930 on one suit.

Current sales reveal a diminishing demand for the cheaper garments, with interest increasing for the medium and high-priced merchandise. While retailers are beginning to call for suits of the better grades for the Spring trade, these garments are being offered by the manufacturer at 10 per cent off the 1931 list prices.

Spring Buying Delayed

When salesmen made their first calls with Spring suits in November and December, many commitments were deferred, but belated orders now are being received; and, when the season will have terminated, it is expected that the volume of business transacted will approximate the 1930 total. Spring operations are being delayed, and it is considered unlikely that active buying will develop much before the end of January. Buying is expected to be heavy, as inventories are fully 12 per cent below those at the corresponding period in 1931.

The mild weather during the Fall and thus far this Winter has retarded the movement of overcoats, and there have been large carry-over stocks in both the retail and manufacturing divisions. While continued high temperatures have retarded

clothing sales to a discouraging degree, better business is expected during the Spring months, because of the more general industrial employment.

Price Structure More Stable

Retail prices generally decreased 15 to 25 per cent during 1931, depending on the quality of the material used, but the market became somewhat more stabilized toward the close of the year. The price trend of merchandise for Spring delivery has been downward, but no further declines are anticipated for the present, as revisions were made by the principal dealers in the early Winter months.

The introduction of the \$22.50 line in suits and overcoats which was considered to be the epitome of value, style appeal and mass production possibilities, failed to build up the sales that had been anticipated. Hope has been placed so constantly on specially-priced clothing that standards of price and value have become so confused that they have lost their relativity.

Value Now Stressed

The greatly diminished buying on the part of the public during 1931 is expected of itself to bring increased demand during the ensuing year, particularly in view of the gain of late in general confidence. The weather plays such a vital factor in the progress of the clothing industry that it is difficult to foresee even the immediate future. Good weather during March doubtless will mean a satisfactory Easter season, while seasonable temperatures during April and May will bring a good volume of business after that holiday.

In all reckonings, it cannot be overlooked that the hampering influences of 1931 will exert their force at least during the first six months of 1932. Among these influences must be mentioned the curtailed spending power that has resulted from a long period of decreased earnings.

A tendency on the part of the retailer to favor merchandise that permits a reasonable mark-up, instead of attempting to produce volume at the sacri-

fice of a normal profit doubtless will result in smaller and more balanced inventories and a greater stock turnover. In fact, this intensification of sales effort on the most profitable merchandise is a noteworthy change that may be the salvation of the industry.

Higher-Priced Clothes Demand

As a producing center, Buffalo in 1931 went ahead of the total unit volume of 1930 at least 15 to 20 per cent. Garments were cheaper and manufacturers had to put out more volume. Clothing sold to retailers at 10 to 15 per cent less than in 1930. Retailers are beginning to call for the better-priced goods for the Spring trade, but these garments are being quoted at about 10 per cent off from the 1931 prices.

The manufacturer, as a rule, is selling goods below his regular profit, in order to keep his organization together and to keep the good accounts on his books. The demand for the cheaper garments is less, with the call for the better-priced goods increasing.

Outlook for 1932

The prospects for 1932 sales are believed to indicate

about the same unit volume as in 1931, but with a better dollar volume, as the future outlook shows an increased demand for the better-priced merchandise, with wholesale prices about 10 per cent below those of 1931.

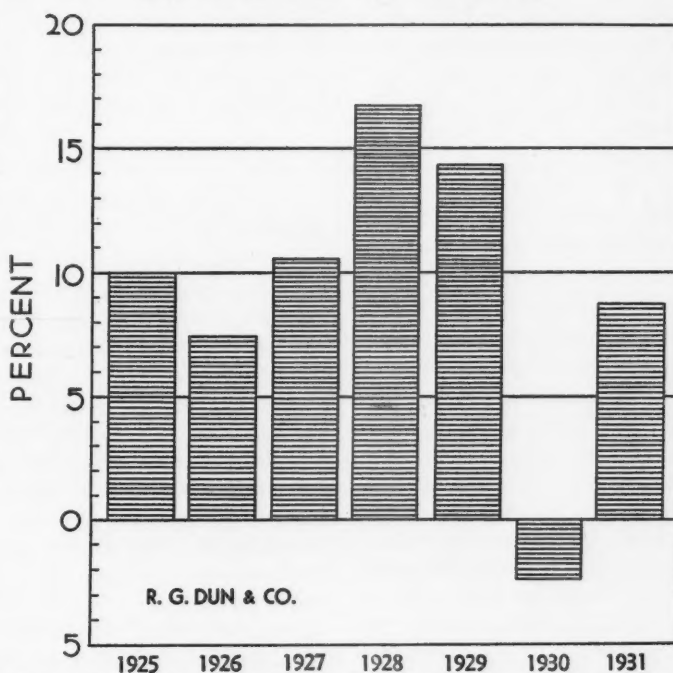
Inventories Continue Small

Manufacturers of men's and boys' clothing in the St. Louis district report no improvement in conditions during the past eighteen months, with volume about one-third less than that of a year ago. Movement of Winter goods was retarded by unusually warm weather in the closing months of 1931, merchants buying along conservative lines, and mainly the cheaper grades of merchandise.

Factories continue to carry small inventories, cutting goods in close relation to orders on their books. Outlook for the next few months is fair.

Wholesale Movement of Men's Clothing

(Percentage of the Average Monthly Increase or Decrease in Sales, Compared with the Total of the Year Preceding)



The past two years were without a doubt the most unfavorable in the clothing industry in a decade. While the wholesale movement during 1931 was slightly in excess of that for 1926, the general average price level was the lowest since 1911.

ADDITIONAL ACTIVITY IN LEADING DRY GOODS LINES

Prices Continue Fairly Well Stabilized, as a Whole, but in Some Departments Moderately Higher Quotations Obtain

A moderate seasonal expansion is reported in primary dry goods market demands. The trading in cotton goods has been more active than in other lines but gains are now becoming more noticeable in wool goods, silk, rayon, and miscellaneous classes. Prices are still on a very low level, the only advances of moment reported being in a few lines of unfinished and finished cotton goods. Buyers from a wide area of country have been in the market and are showing more confidence in values than for some months past.

Textile raw materials have been holding steady or advancing very moderately. Cotton is a full 1c. a pound higher than a month ago and wool markets show greater firmness on some grades. There is still considerable hesitancy in silk although the primary markets are holding rather higher than a week ago. No change has been announced in rayon values and reports from flax-growing countries indicate steady to firm values.

Moderate Business Expected

Incoming buyers are not looking for anything more than a moderate business in the next two to three months. Their confidence in values rests chiefly on the firmness they find in sales agencies and on the lack of pressure to sell that characterized the primary markets so noticeably three months ago. Confirmation of lower inventories than usual in wholesale and retail channels has been coming forward in the financial statements as well as in statements made by buyers who want goods purchased shipped as promptly as possible.

Retailers are still displaying extraordinary values in their efforts to clear out stocks before the usual inventorying. The retail trade has not manifested the rate of activity that was anticipated by many store managers. Consumers are buying with greater caution and are less attracted by the cheap prices than they were earlier in the Fall and Winter season. Many stores are beginning to take in lines of wash goods and samples of new garments in anticipation of the opening-up of Spring trade next month.

Movements of Staple Goods

An advance of $\frac{1}{4}$ c. a yard was announced on printed percales at the beginning of the week and advances have occurred on print cloths and narrow sheetings, varying from $\frac{1}{8}$ c. to $\frac{1}{4}$ c. a yard compared with a week ago. Large sales of percales and other printed lines have been made. Narrow sheetings sold more freely for converting and for bag purposes. More business was done on lawns, voiles and some other combed yarn goods and converters

have been putting more goods into work at the finishing plants. New bedspread lines are being shown and new blankets and robes are offered for another season.

In the wool goods division, women's coating fabrics and worsted dress fabrics are selling more freely and there has been some quickening in the sales of men's wear fabrics for Spring. Metropolitan clothing manufacturers are buying better than for a couple of months past and are purchasing tan, gray, and other light-colored men's wear cloths. The weather has continued too warm to enable retail clothiers to clean up their stocks, but sales pressure in the form of very much reduced prices is general throughout the retail field.

Textile Wages Declining

A group of very large cotton mills in Maine has announced a further reduction of 10 per cent in wages and a large plant in Virginia gave notice of a further reduction of 10 per cent following a reduction made a year ago that precipitated a strike. Throughout the textile manufacturing centers many wage reductions have taken place without attracting public attention. In some sections of the Southern cotton-manufacturing field, manufacturers state that wage schedules have been restored to pre-war levels and are lower than they would like to see them.

In the wool goods field, wage revisions have been constant and have attracted less attention since the abandonment of the strike at Lawrence, Mass. At present wool goods employment is on the upturn, silk mills are resuming more active operations in a moderate way, rayon plants are increasing their output slightly, and a few of the carpet mills have been adding workers in consequence of new business that has recently come to hand.

This Week's Cotton Prices

The course of prices in the cotton option market at New York and spot prices for each day this week at leading cotton centers are given in the following table:

	Fri. Jan. 15	Sat. Jan. 16	Mon. Jan. 18	Tues. Jan. 19	Wed. Jan. 20	Thurs. Jan. 21
January	6.58	6.64	6.69	6.65	6.60	6.62
March	6.68	6.73	6.78	6.74	6.67	6.70
May	6.86	6.88	6.93	6.88	6.83	6.85
July	7.03	7.04	7.11	7.05	7.01	7.03
October	7.28	7.25	7.35	7.29	7.24	7.26

	Thurs. Jan. 14	Fri. Jan. 15	Sat. Jan. 16	Mon. Jan. 18	Tues. Jan. 19	Wed. Jan. 20
New Orleans, cents....	6.58	6.58	6.68	6.69	6.64	6.61
New York, cents.....	6.75	6.75	6.80	6.85	6.80	6.75
Savannah, cents.....	6.42	6.44	6.49	6.63	6.60	6.53
Galveston, cents.....	6.55	6.55	6.60	6.65	6.60	6.55
Memphis, cents.....	5.90	5.90	6.00	6.05	6.00	5.90
Norfolk, cents.....	6.60	6.60	6.63	6.70	6.65	6.58
Augusta, cents.....	6.44	6.50	6.55	6.56	6.56	6.50
Houston, cents.....	6.50	6.50	6.55	6.60	6.55	6.50
Little Rock, cents....	5.90	5.88	5.93	5.98	5.94	5.88
St. Louis, cents.....	6.15	6.15	6.25	6.25	6.35	6.25
Dallas, cents.....	6.05	6.10	6.15	6.20	6.15	6.10

TRADING INCREASES IN HIDE AND LEATHER MARKETS

Packer Hides Now Being Sold on New Terms, with Better Demand Noted
for Some Offerings—More Interest in Leather

Except for the difference between packers and the Council tanners regarding terms, trade in the domestic hide market has been moderately active. The demand for domestic packer hides, trimmed and untrimmed, has shown only a little life. More interest has developed this week for light native cows and light steers, available for quick shipment. Sales consummated comprise mainly 6,500 Minnesota packers' December hides, new terms, at $6\frac{1}{2}$ c. for native and branded steers, light native cows and extreme light native steers; 6c. for heavy native cows, and $5\frac{3}{4}$ c. for branded cows. A Chicago packer was reported to have sold some December bulls at $4\frac{1}{2}$ c. for natives and 4c. for branded. Trading in resale lots involved five to six cars of heavy native cows, including two cars of trimmed November's at $6\frac{1}{2}$ c. and the balance, untrimmed, at $6\frac{1}{4}$ c.; a car of October butt brands at 7c. and 1,200 to 1,500 September native steers at $7\frac{1}{2}$ c.

Sales on the New Terms

All sales of trimmed hides, direct or resales, were on the new terms. A Council tanner in New York last week broke away from the agreement and purchased all-weight kosher native cows from New York packers running back to September kill, and for some paid $5\frac{1}{2}$ c. Country hides, although well sold up, have been influenced lower in price by the packer market; also, by the low price basis on shoes and leather. Buffs hold relatively steady, but extremes sold at $6\frac{1}{4}$ c. in Chicago; later 6c. was the best bid and the probable selling basis.

Hides Closely Sold Up

United States tanners continued active buyers at the River Plate and stocks are closely sold out there. Prices for Argentine frigorifico steers are firm or possibly a shade higher. Latest sale was at $7\frac{3}{8}$ c. c. & f. per pound, although Europe bought one lot at $7\frac{9}{16}$ c.

Calfskins continue generally weak. In New York, 5 to 7's sold down to 55c. and 7 to 9's, 70c., these prices for collectors. Supplies are well reduced, with no offerings of 9 to 12's, and while they last sold at \$1.25 for collectors', there is further demand and no stocks, and there are intimations from buyers that they would pay possibly 5c. apiece more. Packer skins in general are worth 5c. premium over collectors'. New York kips are cleaned up. In the West, Chicago city skins have sold actively at $7\frac{1}{2}$ c. for the heavy and $6\frac{1}{2}$ c. for the light end, with holdings much reduced.

There is further improvement in leather this week, as the result of additional shoe orders placed. Sole leather continues to move better. This is much more emphasized in cut stock than in backs and

bends. Prices have become firmer. Union trim cow backs, tannery run, continue to sell around 30c. Some asking prices are higher but the 30c. level is an advance over some former business reported at 28c. Offal is steady to strong, more especially for lightweights. Cow bellies are reported to have sold at 14c. Single shoulders keep closely picked up.

Further Improvement in Leather

In the same way, improvement in upper leather trading which started last week, has continued. Large tanners report that while sales of side upper are individually small, orders are much more numerous and much better in the aggregate. The demand is for leather, 12c. or less for corrected grain, which is preferred to full grain, priced 1c. higher, because of more cutting surface. Some leather sells up to 15c., but buyers' ideas are as low as 10c. Higher grades are scheduled higher but the demand doesn't run that way. Calf leather shows similar conditions as to more business, but prices are highly competitive with sides, when offered on a 15c. basis. Some table run black calf in L and LM weights was reported offered from Boston at 16c. and 18c. and was said to have contained a good proportion of higher grades. Little is heard regarding patent leathers and buyers continue to exert pressure on prices. In a general sense, chrome sides appear relatively firmer than patent. Reports at the Boston show last week were that the so-called staple and semistaple lines of shoes called for black and brown kid and calf with a smattering of elk and that these are the leading leathers. There is some sampling of reptile lines for better-class shoes.

More Orders for Shoes

The style shows West and East lent impetus to the shoe trade and orders are coming in in increasing volume as the month progresses. The demand is practically all of it confined to low-cost merchandise. The pressure on prices has apparently increased over what it was last year. Estimate on December's production of 19,200,000 pairs of shoes showed an increase over November and this rarely occurs at the end of the year. From all reports, January should show further material increase. Price ranges for shoes sold at the Boston exhibition were from \$1.50 and \$2 on shoes of the cheaper grades and 60c. and 65c. per pair for the poorest sandals, stitchdowns, etc. Better grades at present seem to mean anything retailing over \$4. Some factories have decided to stay in the \$5 field even though they may have to materially decrease operations. Men's lines are said not to have done so well.

GRAIN MARKETS REACT TO HEAVY SELLING PRESSURE

Strong Prices of Opening Sessions Weaken Under Force of Eastern Bearish Influence—Russian Weekly Exports Reduced

Reports of a strong Eastern commodity pool, operating in grains, failed to check a highly irregular week in the Chicago pits. Wheat started strongly, with a Monday advance of 2c. to 2½c., due chiefly to Eastern commission house buying, which forced shorts to cover. The advance was wiped out partly the next day by losses of 1¾c. to 1¾c., and the selling continued during the early Wednesday trading. The trend changed, however, in the last hour, and a net gain of ¾c. to ¾c. was made.

General News Bearish

Thursday saw losses of a minor fraction, in the face of generally bearish news. Weather in the Winter wheat belt was rather favorable, with precipitation. Except for a small quantity of durum, clearances of wheat for export were light. Argentine shipments showed a seasonal increase, and Liverpool prices made little or no response to the strength of American markets.

Foreign news, in the main, was bearish. Liverpool finished unchanged to slightly higher, and the Buenos Aires market was steady at about last week's close. There was some selling abroad on the larger estimated Argentine exports, and the fact that millers in the English markets had withdrawn, feeling that prices were too high.

Russian Shipments Decline

The weather in France was very mild and growth has been too rapid, with the same complaint received from the Central European countries. Business in France was smaller, with the belief that there soon would occur an order to allow increased imports of foreign wheats.

Black Sea shipments for the week were 1,576,000 bushels, compared with 1,760,000 bushels, but the total contributed by Russia fell off sharply, as compared with those of the previous week, amounting to only 304,000 bushels, or around 1,000,000 bushels under the total of a week ago. The Black Sea has shipped since August 1 a total of 100,640,000 bushels, or about 20,000,000 bushels more than during the year previous, while Russia has shipped, included in this total, 67,728,000 bushels, or just about 5,000,000 bushels less than in the year preceding.

Available Supplies Gain

The world's available supplies of wheat were placed at 275,000,000 bushels on January 1, compared with 260,000,000 bushels on January 1, 1930. The weather in the United States continues rather bullish, for it is somewhat warmer in the Northwest

and some beneficial rain and snow are reported for the Southwest. However, there remains the fear of sudden temperature changes doing damage throughout the main Winter wheat belt.

Corn Follows Wheat

Corn swung with wheat. There was a sharp advance of 1¾c. to 2 ⅛c. on Monday, which brought in more liberal country selling. The next day, prices slipped back from ¾c. to 1 ⅞c., as a result. A fractional advance on Wednesday brought in another increase in country offerings, while the shipping demand was slow. The yellow cereal gave ground fractionally on Thursday. Continued mild weather was regarded as cutting the consumption of corn for feeding purposes.

Oats held within a narrow fractional range, except during the Tuesday decline, when a loss of better than a cent for all deliveries was established. Rye advanced sharply Monday, about cancelled the gain the day following, and moved in a fractional range on Wednesday and Thursday.

The United States visible supply of grains for the week, in bushels, was: Wheat, 208,535,000, off 2,611,000; corn, 12,508,000, up 247,000; oats, 15,688,000, up 112,000; rye, 9,372,000, off 49,000; and barley, 4,020,000, off 41,000.

Daily closing quotations of grain options in the Chicago market follow:

	Fri. Jan. 15	Sat. Jan. 16	Mon. Jan. 18	Tues. Jan. 19	Wed. Jan. 20	Thurs. Jan. 21
WHEAT:						
March	55	57½	58½	57½	57½	57½
May	56½	59½	60½	59½	60	59½
July	55½	57½	60½	58½	59½	59½
CORN:						
March	38	40	40½	39½	39½	39½
May	39½	41½	42½	41½	41½	41½
July	41½	43½	43½	42½	43½	43
OATS:						
May	26	26½	26½	26½	26½	26½
July	25½	25½	25½	25½	25½	25½
RYE:						
May	45½	47½	48½	47½	47½	47½
July	46½	48½	49½	47½	48	47½

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat— Western Receipts	Atlantic Exports	Flour, Atlantic Exports	Corn Western Receipts
Thursday	624,000	113,000	12,000	352,000
Friday	500,000	144,000	2,000	362,000
Saturday	740,000	106,000	1,000	464,000
Monday	956,000	254,000	12,000	346,000
Tuesday	584,000	145,000	9,000	335,000
Wednesday	537,000	238,000	16,000	301,000
Total	3,941,000	1,000,000	52,000	2,160,000
Last Year	6,536,000	1,647,000	71,000	4,615,000

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